華永會 BMCPC
善亮人生 Shine
華人永遠墳場管理委員會

Annex B

General Conditions of Grant for Annual Donation – Capital and Procurement Projects

General Reminder

Procedures and conditions set out in this document (including any annex attached therein) should be followed by all recipient organisations ("the Organisation") in executing the approved projects. Failure of which may result in termination/withdrawal of the approved donation. The Board of Management of the Chinese Permanent Cemeteries ("BMCPC") may demand an immediate return or refund of any payment already disbursed. Any non-compliance will also be taken into account in assessing the Organisation's future donation application(s), if any.

1. Use of Funds

1.1 Funds must be expended judiciously within the ambit of the approved project and in the most cost-effective manner to achieve the specified purpose(s).

1.2 The Organisation should adhere to the itemised budget approved by the BMCPC as detailed in Annex A of the Approval Letter.

1.3 All items procured for the project should be necessary and for immediate usage. If circumstances change and the original requested item(s) are no longer in need, the Organisation should duly inform the BMCPC and should not procure the item(s).

1.4 The BMCPC will not be responsible for any financial outlay beyond the ambit of the approved project, or project expenses incurred before the date of the Approval Letter. The BMCPC will not support the Organisation's recurrent cost and expenses on operating equipment for general operation.

1.5 The Organisation shall be reimbursed the approved amount of donation or the actual allowable cost expended within the scope of the project after netting off any income generated from the project, whichever is lower. If donation has been released to the Organisation in advance, any unspent balance must be returned to the BMCPC within 2 months upon completion, suspension or termination of the project as directed by the BMCPC. Depending on the circumstances, the Organisation is required to submit an Auditor's report upon the BMCPC's request.

1.6 The BMCPC will not consider any request for supplementary funding. It is the sole responsibility of the Organisation to top-up any remaining balance (when only part of the project cost is supported by the BMCPC) or extra cost to ensure completion of the project without significant impediment in scale and in scope.

1.7 The donation is solely and entirely for the approved scope of the project and must not be assigned, applied or reserved for any past, present or future expenses outside the approved scope of the project.

2. Project Implementation

2.1 The Organisation should adhere to the approved project plan with its best endeavours. For **any key variation in the scope, nature and/or content (including variation in item or quantity) of the project, prior written approval from the BMCPC must be obtained.** Requests for variations must be lodged to the BMCPC in writing. The Organisation should give full and sound reasons/justifications for the proposed changes and provide supporting documents to substantiate the requests.

2.2 In the event of any failure/anticipated failure to comply with the scheduled completion date, the Organisation should submit a written request with justifications for extension of the project schedule to the BMCPC for consideration and approval as soon as possible and not later than 2 months prior to the original project completion date.

2.3 The Organisation should appoint a project coordinator to carry out the project. In case of replacement, the Organisation should inform the BMCPC as soon as possible.

2.4 The Organisation must ensure that the project is carried out in full compliance with the prevailing statutory requirements. The project, including activities and publications, must not contain content that would be in breach of any law, rule or regulation currently in force in Hong Kong.

2.5 The Organisation shall ensure that personal data of all relevant parties, including but not limited to project participants, collected via the project will be handled in accordance with the relevant provisions of the Personal Data (Privacy) Ordinance (Cap. 486).

2.6 No funding should be used for the promotion of any political, religious, commercial causes.

2.7 The Organisation should keep proper record of all items acquired with the BMCPC's funds and ensure that the items are properly kept.

2.8 **If the Organisation intends to accept external sponsorship for the project from, or name the project after, any organisation/person, prior written approval from the BMCPC must be obtained.** If the BMCPC considers it inappropriate to co-sponsor the project with that organisation/person, it may withdraw its own grant and demand an immediate return of any payment already disbursed.

3. Quotation and Tender Requirements

3.1 The Organisation should ensure that every procurement of goods or services in relation to or for the purposes of the approved project be made on an open and competitive basis by obtaining quotations/tenders from a number of suppliers as stipulated in the following table:-

	The aggregate value of a single procurement/contract	Quotation/tender requirement[1]
a.	Does not exceed $1,000	Quotations/tenders may be dispensed with, but the Organisation shall ensure proper authorisations and approvals for the purchase are in place.
b.	More than $1,000 but less than $5,000	Oral/written quotations from **at least 2 suppliers** should be obtained. In case where quotations are obtained orally, the person responsible for soliciting quotations must properly document the relevant details for verification purposes.
c.	$5,000 or more but less than $50,000	Written quotations from **at least 2 suppliers** should be obtained.
d.	$50,000 or more but less than $1,350,000	Written quotations from **at least 5 suppliers** should be obtained.
e.	$1,350,000 or more	**Open and competitive tendering procedures** are required and the lowest conforming bid [2] should be accepted. The Organisation shall make use of public channels that are easily accessible by the general public to publicise the tender notice. Specifically, the tender notice must be published in **at least 1 local newspaper**.

3.2 The quotation/tender limits must be interpreted strictly. Fragmentation of orders or bids with the intention or effect of avoiding the need to obtain quotations or abusing the open tendering process shall be absolutely prohibited.

3.3 Market research with proper documentation shall be conducted prior to conducting procurement of furniture and equipment items, high-value and critical items such as specialised, low-competition, or non-standard items, that are with limited sources and low response rate in open tenders. Reference should be made to the outcome of the market research in drawing up the pre-tender estimated price of the procurement. **Justifications should be provided to the BMCPC for prior approval with proper explanation** if the recommended tender price is within the approved budget but is significantly

[1] If the Organisation has more stringent internal policies or guidelines on quotation/tender requirement, the Organisation is encouraged to follow its own internal policies or guidelines as long as the quotation/tender requirement under this General Conditions of Grant can be fulfilled.

[2] In case of procurement adopting marking scheme, it refers to "the highest combined score" (i.e. price plus technical scores).

higher or lower than the pre-tender estimated price and previous similar contracts, or should there be any special circumstances that would affect the returned prices, prior to the acceptance of the recommended offer by the Organisation.

3.4 The Organisation shall also make reference to the Lotteries Fund's Price List of Common Furniture & Equipment[3] as far as possible. **Justifications should be provided to the BMCPC for prior approval with proper explanation** if the expense(s) exceeds from the market research price or the reference price set out in the latest Lotteries Fund's Price List (whichever is lower) by more than 10%.

3.5 All requirements and specifications of the intended procurements should be clear and made known to the potential suppliers and contractors on a fair basis. The brand name of an item should not form part of the specification in soliciting quotation/tender.

3.6 If the Organisation does not follow any procurement procedures and practices set out under the "Quotation and Tender Requirements" section of this document, the lowest conforming bid[4] is not selected by the Organisation, or repeats procurement or procures the same or similar item(s)/services within a short period of time, full and sound justifications with substantiating proof shall be provided for approval by the designated senior level of approving authorities within the Organisation. **Such approval, together with substantiating documentary proof, should be provided to the BMCPC for consideration prior to the acceptance of the recommended offer.**

3.7 The Organisation is required to take more proactive actions in conducting due diligence checks at different stages of procurement (such as to analyse previous procurement records to identify possible deficiencies/loopholes and areas for improvement, conduct market research, solicit expert advice from relevant authorities, formulate tender terms, specifications and contract provisions, check legal status of selected tenderer and authorisation, check declaration, verification of key documents, etc.) and incorporate the requirements into their procurement guidelines where applicable, to better safeguard the BMCPC's interests in procurement.

3.8 All quotations, tendering documents including but not limited to the invitation for quotation/tender which shows the specifications of the procured item(s)/services(s) and relevant quotations/tenders received, proposals and procurement agreements in relation to or for the purpose of carrying out the approved project, and all invoices and receipts in respect of the payment together with the completed Quotation/Tender Record Form(s), shall be submitted to the BMCPC after the completion of the project, or the expiry or termination of the approved donation (whichever first occurs).

[3] Lotteries Fund's Price List of Common Furniture & Equipment can be downloaded in Social Welfare Department's website (https://www.swd.gov.hk/en/ngo/lotteriesf/).

[4] In case of procurement adopting marking scheme, it refers to "the highest combined score" (i.e. price plus technical scores).

3.9 Quotations/tenders obtained **before the issue date of the Approval Letter** will not be accepted.

3.10 The Organisation should comply with the "Strengthening Integrity and Accountability – Government Funding Schemes Grantee's Guidebook" [5] available on ICAC's webpage.

3.11 The Organisation should ensure that segregation of duties is reasonably adopted in the purchase of goods, equipment and the procurement of services. An independent responsible person at senior level of approving authorities within the Organisation should be designated for approval of procurement items or services. The person who is authorised to approve the purchase should be different from the person who is responsible for soliciting quotations/tenders. Relevant delegation of authorities should be properly documented.

3.12 The Organisation should ensure that its staff/members are aware of situations where conflict of interest may arise. Staff and other persons involved in procurement evaluation or approval are required to make a declaration of conflict of interest, to avoid any actual or perceived conflict of interest while implementing the approved project. Individuals who have potential conflict of interest in procurement should refrain from handling or approving that specific procurement work.

3.13 Conflict of interest situations may lead to criminal sanctions under the Prevention of Bribery Ordinance (Cap. 201) or other relevant ordinances in Hong Kong. The BMCPC expressly reserves the right to terminate/withdraw the grant and to demand an immediate return of any payment already disbursed to the Organisation should any irregularities or criminal elements are discovered.

4. Monitoring and Periodic Reporting of Funded Projects

4.1 A Progress Report [6] (in PDF format) summarising key developments and progress of the approved project should be furnished to the BMCPC by email (donation@bmcpc.org.hk) by **the first working day of March, June, September and December** thereafter until completion of the project. The submission date of the first Progress Report will be the first working day of June of the year the project is approved.

4.2 **Within 2 months** after the completion of the project, a Final Report[6] certified by a senior officer of the Organisation and a Financial Report[6] certified by the Financial Controller (or a senior officer in similar capacity) should be forwarded to the BMCPC.

[5] https://cpas.icac.hk/en/info/lib_list?cate_id=3&id=142
[6] Documents can be downloaded in our website: (https://www.bmcpc-shine.org.hk/application)

4.3 The Organisation should **submit the aforesaid reports on time and respond to the BMCPC's enquiries within reasonable time limit**. For Organisations who repeatedly fail to submit the requested reports by the prescribed submission deadline, **the BMCPC may terminate/withdraw the approved donation where appropriate, without entitling the Organisations to any compensation**. Non-compliance will also be taken into account in assessing the Organisation's future donation application(s), if any. A debarment period may be considered (if applicable) during which the funding applications by the concerned organisations will not be considered.

4.4 The BMCPC will conduct random checks on receipts for goods and services received to verify whether the goods or services received match with the description(s) in the relevant records. The Organisation may be requested to provide justifications and supplementary information to substantiate their cases as and when necessary. If the Organisation fails to provide reasonable explanation to any discrepancy spotted, the BMCPC may consider not reimbursing the relevant expenditure items(s) or, should the circumstances warrant, to exercise other control measure(s) as appropriate to uphold the BMCPC's interest.

4.5 The BMCPC may appoint an auditor or consultant to review the reports prepared by the Organisation. The Organisation should render assistance to facilitate the said audit or review, including but not limited to access to all documents and records pertaining to the project. The key financial and all other related supporting documents should be properly retained for 7 years after the completion of the project and should be made available for the BMCPC's inspection upon request.

4.6 The BMCPC's representatives may conduct visits to the Organisation from time to time to examine the progress of the project. The BMCPC will normally inform the Organisations of the arrangement of visit but the BMCPC's representatives may also conduct the visits without prior notice.

5. Disbursement of Donation

5.1 <u>Reimbursement</u>

5.1.1 The Organisation will normally receive the donation by reimbursement according to the actual expenditure of the project upon its completion and subject to the vetting of the project reports by the BMCPC. If the actual expenditure is less than the approved funding amount, only the actual amount of expenditure will be reimbursed by the BMCPC.

5.1.2 Request for reimbursement should be lodged within 2 months after completion of the project and settlement of full project payment be made by submitting the followings to the BMCPC:-

- Final Report of the project;
- Financial Report of the project;
- Original/Certified invoices and receipts (certification detailed in para. 5.3); and
- Quotation/Tender Record Forms together with copies of the invited quotation(s)/tender(s).

5.1.3 **The last date for lodging any claim for payment is 2 months after completion of the project. Failure to do so may result in the approved donation being reverted to the BMCPC without further notice.**

5.2 Advance Payment

The Organisation may request for advance payment and the BMCPC will generally give not more than 30% of the approved sum to the Organisation for implementation of the project[7].

5.3 Certifying invoices and receipts:-

5.3.1 All invoices and receipts are to be properly fixed on A-4 sized paper and certified by the authorised person of the Organisation (invoice and corresponding receipt should be appeared on the same A-4 sized paper). A covering with the following information should be attached with the certified invoices and receipts.

[7] For request of advance payment for more than 30% (with ceiling at 50%) of the approved sum, the Organisation should provide justification with supporting documents to the BMCPC for consideration. There is no guarantee that an application for advance payment for more than 30% would be approved. Actual advance payment amount shall be subject to the sole and absolute discretion of the BMCPC and cannot be disputed.

Ref No.: _____

Project Title: _____

Amount of Donation Approved: _____

Approved Item No. & Description: _____

a. it has been checked correct and no previous claim in respect of the donation has been made;
b. the quotation/tender requirements stipulated in the "General Conditions of Grant" have been duly observed;
c. the goods purchased have been received in good order; and
d. all of the services detailed have been provided and are considered necessary for the project.

Authorised Signature: _____

Name of Organisation: _____

Name of Responsible officer: _____

Position: _____

Tel. No.: _____

Date: _____

Organisation Chop

5.3.2 In the Financial Report submitted, all actual income, expenses and the corresponding invoices and receipts should be classified with detailed breakdown in the same order as in the list of approved items as set out in Annex A of the Approval Letter.

5.3.3 In case a receipt does not show sufficient information of the company or the purchased items, the Organisation should supplement the basic details such as name and address of the company, a brief description of the item etc.

5.3.4 If a particular receipt involves only partial sponsorship, the Organisation should specify the amount sponsored by the BMCPC.

5.4 The Organisation should respond to the BMCPC's enquiries within reasonable time limit.

6. Acknowledgement

6.1 The Organisation must arrange appropriate acknowledgement to the BMCPC for the implementation of the approved project. **The location, design and wordings of the acknowledgement should be submitted to the BMCPC for prior approval.** Such acknowledgement should include the BMCPC's logo which shall not be smaller or less prominent than those logos of the Organisation or other sponsors' logo (if any). The specification of the BMCPC's logo is obtainable via the BMCPC's website[8].

6.2 For buildings which have been fitted out/renovated/constructed with the BMCPC's donation of **$200,000 or above**, the Organisation is required to install a commemorative plaque in a prominent place within the premises of the project or in the user area which would be noticeable to the highest possible number of service users. The size should not be less than 295mm x 420mm. Templates of the plaque are shown below for reference:

Chinese and English Version

Organisation's Logo

The Renovation Works of
(Centre/Organisation)
was generously supported by
The Board of Management of the
Chinese Permanent Cemeteries

(Project Completion Date)

（機構/中心）蒙
華人永遠墳場管理委員會
慷慨撥款資助裝修工程
立此為誌
（工程完成日期）

[8] https://www.bmcpc-shine.org.hk/application

Chinese Version

(機構/中心)蒙
華人永遠墳場管理委員會
慷慨撥款資助裝修工程
立此為誌

(工程完成日期)

6.3 Furniture/Equipment

6.3.1 For furniture/equipment purchased with the BMCPC's funds, the Organisation is required to affix a permanent acknowledgement in a prominent position on the furniture/equipment (paper with lamination is not considered as a permanent acknowledgement). The size should not be less than 70mm x 110mm. Template of the acknowledgement is shown below for reference:

捐贈機構

6.3.2 In occasion where installation of acknowledgement on the furniture/equipment is not practicable, the Organisation should include a note of thanks with an introduction of the BMCPC in its annual report, newsletter, other relevant publications, or website or to place a notice inside premises of the Organisation. For placement of notice inside premises, the notice should be placed in the user area which would be noticeable to the highest number of service users. All note of thanks or notice placed inside premises or website should be posted for no less than 3 months.

6.4 Vehicles

For vehicles purchased with the BMCPC's donation, the Organisation is required to paint an acknowledgement on left, right and rear sides of the vehicles.

6.5 Naming

For projects with approved funding exceeding $1 million, the BMCPC will have the naming right of the premise and the status of the premise should be maintained for at least 6 years. The Organisation is required to update the BMCPC the conditions of the premise in writing upon the BMCPC's request.

7. Return or Refund of the Funds to the BMCPC

7.1 The BMCPC reserves the right to terminate the approved donation at any time at its sole discretion.

7.2 The BMCPC reserves the right to demand from the Organisation an immediate return or refund to the BMCPC the full amount of the funds or any part thereof already advanced by the BMCPC, if the BMCPC is of the opinion that:

(a) any of the conditions has been breached or will likely be breached; or

(b) the Organisation may not be able to carry out the scope or purposes as stated in the application for funding; or

(c) there exist any other reasons or factors that the BMCPC at its sole discretion determines appropriate to require for the return or refund of the funds or any part thereof.

8. Personal Information Collection Statement

8.1 The BMCPC may from time to time collect personal information of the project participants for the purpose of project monitoring, promotion, publicity, statistical and research. The personal information obtained will be kept strictly confidential. The Organisation should make sure that the data providers are aware of such arrangement and give consent to forward their personal data to the BMCPC for the above-mentioned purpose.

8.2 The Data Subject has the right to access and correct the personal data provided in accordance with Sections 18 and 22 and Principle 6 of Schedule 1 of the Personal Data (Privacy) Ordinance (Cap. 486). Such access and corrections should be addressed in writing to the Secretariat of the BMCPC.

9. The Contracts (Rights of Third Parties) Ordinance (Cap. 623)

9.1 The Contracts (Rights of Third Parties) Ordinance (Cap. 623) does not apply to the project(s), and the parties do not intend to confer any right in respect of any term of the project(s) to any third party. No third party shall rely on the Contracts (Rights of Third Parties) Ordinance (Cap. 623) to claim against any party to the project(s).

10. Important Notes

10.1 The Organisation shall comply with all applicable laws and statutes of Hong Kong (including but not limited to The Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region (hereinafter referred to as "the Hong Kong National Security Law")) in carrying out the funded project. It is the responsibility of the Organisation to obtain all approvals and licences that are necessary for carrying out the funded project and to ensure that, during the implementation of the funded project, all activity contents and formats, information produced, shown and/or distributed in relation to the activity (e.g. publicity materials, audio/visual productions, questionnaires, messages, etc.) are in compliance with the Basic Law and all laws and statutes applicable to Hong Kong, including the Hong Kong National Security Law.

10.2 If the Organisation is found to be in breach of the terms in this document or any other Hong Kong laws and statutes (including but not limited to the Hong Kong National Security Law) after the BMCPC's disbursement of approved funds, the BMCPC may exercise the right to require the Organisation to return the disbursed funds to the BMCPC and cancel the disbursement of the remaining funds.

10.3 The BMCPC has the full discretion to make decisions or determinations in respect of any of the matters mentioned herein and such decisions or determinations shall be final and conclusive and therefore, not open to review or appeal.

10.4 The BMCPC reserves the right to update or amend this General Conditions of Grant for Annual Donation at any time in its absolute discretion without giving any reason or prior notice. To obtain the most up-to-date information, the Organisation may refer to the electronic version of this document on the BMCPC's website.